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and other expenditure demanded by custom. Moreover, the money-lenders are willing to advance money without the security demanded by landbanks and co-operative societies.

In the matter of trade monopoly it is true that in Siam, Indo-china, Indonesia, and the Philippines the Chinese have a virtual monopoly of the rice distribution and milling trades. The Govern-ments of these countries have, to meet the popular agitation, passed legislation to restrict the Chinese share in this trade. The fact that the Chinese maintains his position in face of all this legislation and in face of competition, fair or unfair, is simply because he is so much more competent in the business. Florence Horn (see p. 634) points out that the Filipino politician who charged the Chinese with having half the retail business in their hands changed his ground completely when the reply was made that all the Filipino had to do was to open up a *tienda* on his own and put the Chinese out of business. He then said that the Chinese standard of living was deplorably low, he eats almost nothing and works day and night; therefore he subjects the Filipino to unfair com-petition! At the same time it must be admitted that the Chinese, having obtained virtual control of some trades, do their best to keep them in their hands and usually employ only their own countrymen. This is naturally galling to the native looking for an opening, but there is a sound business reason for it. They employ their own people because they are, on the whole, better at the job. No European merchant would maintain that a firm should be compelled to employ persons of inferior business capacity, thus exposing the firm to the danger of bankruptcy.

If the Governments of Southeast Asia wish to secure a greater share of the trade of their country for their nationals, they are entitled to legislate accordingly—provided, of course, that the law does not operate harshly or unjustly by depriving an alien of one source of livelihood before he has had a chance of acquiring another. (The economic effect on a country of discriminating against aliens who discharge some useful function is another matter.)

In *Fanny's First Play* Bernard Shaw pokes fun at the critics who will not give an opinion as to the merits of the play until they know 'Who wrote it?' The inference is that such a question is an irrelevance, and that the play should be judged on its own merits. But while we have, so far, attempted to consider the charges

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religion was no barrier between themselves and the Chinese; all were Buddhists, though of differing sects. Chinese culture had long been admired by the peoples of Farther India, and had influenced them. Moreover, the Chinese were regarded as distant and desirable relatives. With the advent, however, of Chinese women and the accelerated growth of Chinese nationalism after the first world war, intermarriage occurred less frequently (though it continued to be common in Burma and Cambodia), and the indigenous peoples had few social contacts with the Chinese in their midst. The cleavage between the ethnic groups was further widened in the British colonies by the official policy of representation of various communities on legislative and advisory bodies.

Economically, relations between the indigenous and the immigrant peoples altered from a mosaic of non-conflicting occupations to one of rapidly increasing competition. For years the native peoples had contentedly seen the arrival of thousands of immigrants annually who were able and willing to perform the hard labor for which they themselves had neither inclination nor compulsion. Through much of the region, however, during the inter-war period an indigenous proletariat was developing as a result of the transfer of farm land from the indebted native peasantry to non-agriculturists, often to alien moneylenders, and also because of the growth of a Western-inspired individualism which was weakening family ties once paramount. The trend was apparent chiefly in parts of Burma, Siam, and Indochina.

This development did not assume significant proportions until the world economic depression, when considerable unemployment arose out of the drop in prices and the curtailment of foreign markets for products of Southeast Asia. The result was a swift increase in the number of natives seeking to return to their villages and, on the other hand, of those forced to seek part-time or full-time employment away from their villages in competition with immigrant laborers for work previously scorned as arduous, monotonous, and underpaid.

Meanwhile the native middle classes for the first time faced a serious unemployment problem. Until the depression years, the opportunities for desirable though moderately paid employment in government or business had seemed to exceed the number of qualified candidates. The depression made it clear that the saturation point had been reached, and each year an increasing number of educated youths would be thwarted in their expectation of employment or, if given a job, in their rise to higher positions. Thus two groups of economically frustrated natives developed simultaneously in numbers and in consciousness in the decade prior to the second world war.

Nascent political factors became significant during that period. The struggles of the Chinese against the Japanese and of Indians against British rule were reflected in the attitudes of the emigrants from those coun-